

Tower Hamlets Third Sector Strategy 2009–2011



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influence the decisions that
affect them.”

Councillor Lutfur Rahman
Leader, Tower Hamlets Council

Leaders Introduction

We're proud to have a vibrant and active Third Sector here in Tower Hamlets. Estimates suggest that there are over 2,500 groups working within our borough, delivering a wide range of services to local people. The Council provides over £55m of funding for the delivery of services through the Third Sector.

Our Third Sector Organisations have a vital role to play within our community. They have the ability to engage local people and help residents have a voice and influence the decisions that affect all our lives.

Our Third Sector Organisations also make an essential contribution to delivering our shared Community Plan, which outlines the ambitions for the borough to 2020 and is underpinned by the vision of achieving One Tower Hamlets. This involves tackling poverty and inequality, strengthening community cohesion and building community leadership. They are also a 'critical friend', providing feedback and advice on our ideas. In short the importance of the critical work of the Third Sector cannot be underestimated. This is why this Council has included National Indicator 7, an environment for a thriving Third Sector, as one of our Local Area Agreement targets.

This Third Sector Strategy, developed in consultation with our Third Sector Organisations, will help create an environment for a thriving Third Sector in our borough. It aims to improve the way in which the Council works with local groups. We plan to quickly extend the Strategy to our partners, beginning with NHS Tower Hamlets.

We're starting from a strong foundation in creating a thriving Third Sector. In a recent survey, significantly more Third Sector groups in Tower Hamlets than

nationally, felt that local statutory bodies helped them to succeed. We scored well on listening and encouraging, but have more to do with providing support.

However, we know that this doesn't represent the views of all Third Sector Organisations in Tower Hamlets and we want to continue improving.

This is why we've been listening to local views to shape this Strategy and we'll continue to listen. Many Third Sector Organisations have told us that the most important things are funding, asset management, infrastructure, volunteering, voice and representation, so that's what we've focused on. We will strengthen our work in these areas whilst maintaining our respect for the independence of local organisations.

We recognise that it may not always be possible to have consensus on how best to move forward, but I hope we can all agree on our shared goal: to improve services for everyone living and working in the borough.

I look forward to working together with you to deliver this Strategy.

“Many Third Sector Organisations have told us that the most important things are funding, asset management, infrastructure, volunteering, voice and representation, so that's what we've focused on.”



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Foreward

Here in Tower Hamlets we recognise that the diversity of organisations that working within the Third Sector locally is what makes the borough so special.

Whether they are small self-help groups run entirely by volunteers or larger voluntary organisations which are delivering public sector contracts, this Strategy addresses areas which will improve working relationships between the Council and all Third Sector Organisations regardless of size or capacity.

To achieve this, we're looking to develop a new Community Chest and to improve our procurement practice. We're also developing Third Sector representation on the Community Plan Delivery Groups and looking at ways of hearing the voices of smaller community organisations.

We believe that improving the support available to Third Sector Organisations, and undertaking research around the premises needs of Third Sector Organisations, will benefit organisations of all sizes.

The Third Sector makes a key contribution to tackling poverty and inequalities, strengthening cohesion, and building leadership in this borough - what we now know as 'One Tower Hamlets'.

It is essential that the Council continues to build on existing positive working relationships with Third Sector Organisations, and does all it can to create an environment where the Third Sector in Tower Hamlets can thrive.



Councillor Rania Khan
Leader Member for Regeneration,
Community, Partnership and Localisation
Tower Hamlets Council

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01

Executive Summary

“The aim of the Strategy is to create an environment for a thriving Third Sector in Tower Hamlets.”

The aim of this Strategy is to create an environment for a thriving Third Sector in Tower Hamlets. This Strategy is a Council document and is focused primarily on improving Council practice. However, the Action Plan goes a long way to delivering a partnership approach towards developing the Third Sector in the Borough.

Tower Hamlets has an extremely vibrant and diverse Third Sector. Though there are data restrictions, it is estimated that there are over 2,500 active organisations in the Borough. Analysis undertaken for the development of the Strategy indicates that around 1 in 8 of these receive resources from the Council, amounting to over £55m a year.

Consultation and data analysis has highlighted 5 key areas in which the Council can make a real difference to the Third Sector. These are as follows:

- 1 Infrastructure:** Third Sector Organisations need access to good quality affordable support in order to fulfil their potential. The Council recognises this and will work with partners to develop a new Council for Voluntary Services [CVS].
- 2 Volunteering:** People giving their time and energy, unpaid, for the benefit of society, and is seen by the Council as a powerful force for change. The Council will support the Third Sector to achieve the highest standards when involving volunteers.
- 3 Voice and Representation:** The Third Sector has a key role in improving service delivery and enabling the voices of the community to be heard. We will establish clear processes that enable the Third Sector to be effectively represented. This will include making sure that the voices of small organisations are heard.
- 4 Commissioning and Funding:** Our objective for the funding of Third Sector Organisations is that the process should be transparent, efficient and reflect local needs. We will improve our procurement practice and also establish a small grants funding scheme. We will review our Mainstream Grants process to make it more accessible, and undertake an Equalities Impact Assessment.
- 5 Premises:** Our objective is to support high quality premises. In order to do this we will undertake research to establish the key premises requirement priorities of the Third Sector.

02

Introduction

Purpose of the Strategy

This Strategy has been produced by the London Borough of Tower Hamlets. The Council recognises that a thriving Third Sector is essential for the delivery of the Community Plan. The Council also recognises that the work of Third Sector Organisations is vital to transforming life locally and to realising the objective of One Tower Hamlets. Third Sector organisations do this through their values, the kinds of services they provide, and their unique ability to engage the local community. This makes a key contribution to tackling poverty and inequalities, strengthening cohesion and building community leadership in the borough.

The importance of the local Third Sector is explicitly acknowledged by the Tower Hamlets Partnership by the inclusion of National Indicator (NI) 7 - an environment for a thriving Third Sector - in the Local Area Agreement 2008/11. The role of Third Sector Organisations is recognised within a number of other Council strategies. This Strategy has been developed to provide a strategy framework for working with the Third Sector.



Participants at the Third Sector consultation event. 18th August 2009.

In this context the aim of this Strategy is to create an environment for a Thriving Third Sector in Tower Hamlets.

The Strategy highlights the contribution the Third Sector can make to delivering the priorities set out in the Community Plan, and has been informed by the following guiding principles:

- Efficiency – recognising and responding to future challenges in relation to resources
- Openness – the need for a more effective and mature dialogue with the Third Sector
- Personalisation – giving local people choice and control in the way they access services.

The Council values the contribution of all Third Sector Organisations, particularly that of small groups. One of the drivers for the development of this Strategy has been the Council's desire to support Third Sector Organisations, especially smaller organisations, access resources and support.



Third Sector Organisations provide community events.

The Development of the Strategy

This Strategy has been developed over recent months by:

- Talking to a variety of stakeholders from both the Third Sector and the Council;
- Developing a profile of Third Sector Organisations funded by the Council;
- Reviewing key Council documentation; and
- Considering national guidance and good practice across sectors.

The Council also analysed the drivers of NI 7 as identified by the national survey undertaken by The Office of the Third Sector. A comparison of Tower Hamlets and national performance against these is provided on page 11 in the order of their impact on developing an environment for a thriving Third Sector.

“In developing this Strategy the Council has reviewed the way it works with the Third Sector and established an Action Plan.”



Participants at the Third Sector consultation event. 18th August 2009.

| Driver | Tower Hamlets | | National Average | |
|---|---------------|----------|------------------|----------|
| | Positive | Negative | Positive | Negative |
| Ability to influence decisions locally | 20% | 29% | 16% | 27% |
| Current dealings with local statutory bodies | 33% | 64% | 26% | 69% |
| Local statutory bodies valuing the work of your organisation | 37% | 16% | 38% | 14% |
| Satisfaction with the support available in your local area | 18% | 28% | 22% | 20% |
| Statutory sector bodies acting on organisations' concerns and in response to consultation | 15% | 29% | 13% | 27% |
| Respect for organisations' independence | 37% | 12% | 37% | 11% |
| Satisfaction with local statutory grant funding/contract bidding arrangements | 12% | 29% | 13% | 19% |
| The level of help and support available when applying for grants/bidding for contracts | 16% | 30% | 15% | 19% |

Confidence Interval - 6%

The key findings of this were that Third Sector engagement with statutory bodies in Tower Hamlets is perceived as being much stronger than the national average but support, especially around funding arrangements, is weaker.

In developing this Strategy, the Council has reviewed the way it works with the Third Sector and established an Action Plan. This will be regularly reviewed to ensure effective delivery.

The development of the Strategy has been a positive process. Knowledge and understanding of the Third Sector has increased across the Council, and there is renewed commitment to working effectively with all Third Sector Organisations.

In developing the Strategy, the Council has attempted to acknowledge a number of key principles. These have included acknowledging that:

- The Third Sector is independent, and that providing services for the Council is not its primary purpose.
- The Third Sector is not a homogenous entity and can be characterised by its diversity.
- The Council and Third Sector Organisations sometimes may not agree, and that this diversity of opinion is a strength.

The development of the Strategy has been over-seen by a Third Sector Strategy Delivery Group. Local Councillors have also played an active role. Whilst this is a Council Strategy, it will quickly develop into a wider Partnership approach to working with the Third Sector.

“Knowledge and understanding of the Third Sector has increased across the organisation...”



Third Sector Organisations play a key role in improving the environment.

The Importance of a Thriving Third Sector

For the purposes of this Strategy we are using the following definition:

“The local Third Sector is made up of non-governmental organisations that are value-driven and which principally invest their surpluses to further social, environmental or cultural objectives that bring significant community benefit to Tower Hamlets.”

The Third Sector in Tower Hamlets is diverse in terms of size, activity, demographics and in terms of the different roles it plays. In particular the Council recognises that the Third Sector is:

- **A strategic partner:** contributing to shaping local priorities and the development of plans to meet these priorities. Third Sector Organisations, especially locally based ones, are often deeply embedded in local communities and can have a good understanding of the needs of specific groups of local people.
- **A service deliverer:** improving service outcomes through responding to local and diverse needs. Third Sector Organisations have an important role in delivering key services and reaching excluded or disadvantaged groups.
- **An enabler of voice and community representation:** by encouraging and supporting local service users and citizens – especially those who are vulnerable and marginalised - to get involved in decision making.
- **A key contributor to cohesion and equalities:** by building social capital and strong community networks.

“Third Sector Organisations have an important role delivering key services and reaching excluded or disadvantaged groups.”

The Third Sector also has a significant role as employer and in supporting local people towards employment by providing training, learning and volunteering opportunities.

Over the last ten years there has been a drive from central government to create a local environment which will enable the Third Sector to contribute and to thrive. Various policies and programmes, such as Futurebuilders and Capacitybuilders [ChangeUp], have been introduced. These have been aimed at supporting the Third Sector to develop its capacity and to develop the infrastructure support required to ensure the delivery of quality services.

Tower Hamlets Council will ensure that effective, value for money services are provided for our residents. The Council acknowledges that a thriving Third Sector is essential for the delivery of the Community Plan and One Tower Hamlets, and that the Council has a role in ensuring support is available to Third Sector Organisations to enable them to achieve the best for local people.

The Council recognises the diversity of the Third Sector and the differing needs of small community groups compared to those of larger, service provider organisations, and also that those needs will change as organisations evolve.

“the Council recognises the diversity of the Third Sector ”



Third Sector Organisations play a key role in language provision.

**Our Approach
to Developing
a Thriving
Third Sector**

The actions in this Strategy will help create an environment in which the Third Sector can thrive.

Developing the Strategy has involved comprehensively reassessing the way the Council works with the Third Sector. The Council acknowledges the importance of the Third Sector's independence and recognises the Third Sector's role in contributing to policy and service development. The Council anticipates a continuing role for the Third Sector in local representation and engagement, and in service delivery.

Consultation with key stakeholders has identified 5 key areas where the Council can significantly support the achievement of the aim of this Strategy - to create an environment for a Thriving Third Sector in Tower Hamlets.

The 5 key areas are:

- 1 Infrastructure and Support** - developing both strategic and technical support to enhance the work of the Third Sector
- 2 Volunteering** - supporting the Third Sector to achieve the highest standards when involving volunteers
- 3 Voice and Representation** - making sure that the voice of the Third Sector is heard effectively across the Tower Hamlets Partnership
- 4 Commissioning and Funding** - improving the financial relationship with the Third Sector
- 5 Premises** - supporting Third Sector Organisations to access high quality premises.

Infrastructure

Key Issues:

- Third Sector Organisations need appropriate support
- The lack of an infrastructure organisation such as a Council for Voluntary Services [CVS] is seen as a barrier to delivery and engagement for both Third Sector organisations and the Council
- There is strong support across sectors to develop a new CVS in this borough

In order for front-line Third Sector Organisations to successfully contribute to the delivery of the Community Plan, the Council recognises the need to good quality affordable support. This includes support to:

- Develop quality services: project development, good governance, quality and compliance standards
- Improve service delivery: financial sustainability, premises, technical support and specialist policy advice and information
- Increase communication and collaboration: both within the Third Sector, and between the Third Sector and statutory agencies.

Tower Hamlets is currently the only London borough without a CVS. Conversations with both Third Sector Organisations and statutory agencies have indicated wide support for the development of a new CVS. The on-going need for specialist support agencies and for specific Third Sector networks has also been recognised.

The new CVS will be a key Strategy partner within the Local Strategic Partnership, and will provide:

- **Leadership:** championing the needs and views of the Third Sector in Tower Hamlets at a strategic level.
- **Advocacy and representation:** providing mechanisms for local Third Sector Organisations to be involved in the planning and delivery of policy and services. There would be a particular focus on representing small Third Sector Organisations.
- **Partnership building:** supporting collaboration between Third Sector Organisations, including consortia bids.
- **Organisational capacity building and technical support:** ensuring the coordination of support to front-line organisations, identifying gaps, and working with other organisations to address them. There will be a particular emphasis on supporting small Third Sector Organisations.
- **Enhanced communication:** within the Third Sector, and between the Third Sector and statutory agencies.

'Working Together' is the Compact for Tower Hamlets. This document sets out a number of principles which both the Council and the Third Sector agreed in terms of roles, rights and responsibilities. This document was agreed in 2004 and the Council thinks that now is an appropriate time to review it. The Council anticipates that this will further clarify expectations for both the Council and the Third Sector.

“Championing the needs and views of the Third Sector in Tower Hamlets at a strategic level”

Key Actions:

The Council will work with partners to:

- Develop a new CVS
- Ensure support is available to local Third Sector Organisations
- Refresh the Tower Hamlets Compact

Volunteering

Key Issues:

- Third Sector Organisations are amongst the largest providers of volunteering opportunities
- The Volunteering Compact Code sets out commitments for all sectors to develop best practice
- Infrastructure organisations, like the local Volunteer Centre, provide valuable support to enable Third Sector Organisations to engage with and support volunteers

Volunteering, where people give their time and energy, unpaid, for the benefit of society or the environment, is a powerful force for change, both for those who volunteer and for the wider community. Whilst volunteering is not solely undertaken within the Third Sector, it is amongst the largest provider of volunteering opportunities and we recognise that volunteers form the lifeblood of many Third Sector Organisations, whether as trustees or as contributors to service provision and support.

'Volunteering: Tower Hamlets Compact Code of Best Practice', was published in 2007 by the Tower Hamlets Partnership and the Volunteer Centre Tower Hamlets. This document sets out expectations for both the Council and the Third Sector and commits partners to using the Volunteers' Charter as a basis for developing best practice within their volunteering programmes. We think that now is a good time to review the implementation of the Code and to publish an action plan to support its promotion to Third Sector Organisations and other partners.

The Council is committed to supporting the Third Sector to achieve the highest standards when involving volunteers. This includes promoting, developing, funding and celebrating volunteering. One of the ways we will measure our success is by using National Indicator 6 – supporting participation in regular volunteering – although we recognise that this is an imperfect indicator.

The Council is keen to employ local people and recognises that volunteering can be a useful stepping stone into work for many residents. Volunteering opportunities in local statutory agencies do exist and the Council is interested in exploring how it can increase the capacity of statutory agencies to host volunteers.

The Council also recognises that volunteering by employees makes a big difference – to the organisations where they volunteer, to the organisations that employ them, and to the individuals volunteering. The Council currently encourages staff to volunteer with local projects, but recognises that this could be developed further. The Council will therefore look to further explore the development of employer supported volunteering.

Key Actions:

The Council will work with partners to:

- Review the implementation of the Volunteering Compact Code
- Develop an action plan to support the promotion of the code
- Ensure support is available to local Third Sector Organisations
- Explore the development of employer supported volunteering
- Explore how it can increase the capacity of statutory agencies to host volunteers

“The Volunteering Compact commits partners to using the Volunteers’ Charter as a basis for developing best practice within their volunteering programmes”

Voice and Representation

Key Issues:

- Third Sector Organisations have an acknowledged role in enabling the voice of the community to be heard
- Third Sector involvement in strategy and policy development can lead to improvements in service delivery
- There is a need to develop a cohort of Third Sector representatives
- These representatives need support in order to fulfil this role effectively

The Third Sector has a key role in enabling the voice of the community, especially excluded groups, to be clearly heard. This role includes encouraging and supporting local service users and citizens to get involved in decision making. Also, the Third Sector has a wealth of experience and talent that can be of great benefit to those making policy in the statutory sector. The Council acknowledges that hearing the voice of the Third Sector invariably leads to improvements in the way policy and services are developed in the borough.

Representation on key decision making groups is currently variable. In some areas it is excellent whilst other areas need significant improvement. In general, the limited resources available to Third Sector Organisations has meant that they have not had the capacity to undertake a representative role. There is a clear need to develop a cohort of Third Sector representatives who have both the legitimacy and support to fulfil this role effectively.

The Council anticipates that once a CVS is established, it will have a central role in:

- Ensuring strategic representation of the local Third Sector
- Supporting Third Sector representatives to influence strategic decision making

In the meantime, the Council will establish formal and transparent processes using existing networks where possible, to select Third Sector representatives for the Tower Hamlets Partnership. The Council will also ensure that appropriate support is available both to Third Sector reps and to networks so that information and views can be gathered from, and disseminated to, the wider Third Sector and to Tower Hamlets Partnership.

The Council will also work to establish a process for including the views of smaller community groups and/or communities of interest who might not have formal community organisations and/or the capacity to be involved in network meetings. This will include improving links through e-networks, ensuring that the Partnership website maximises engagement with Third Sector groups, and explore web-based social networking.

“The Third Sector has a wealth of experience and talent that can be of great benefit to those making policy in the statutory sector.”

Key Actions:

The Council will:

- Establish formal and transparent processes for selecting representatives from the Third Sector
- Provide support for networks Third Sector representatives
- Establish a process for including the views of smaller community groups and/or communities of interest
- Improve the use of web- based social networking.



Third Sector Organisations play a key role in supporting vulnerable people.

Commissioning and Funding

Key Issues:

- The total value of grants and contracts from the Council to the Third Sector is over £55m
- The £3.785m Mainstream Grant programme is effective, though it needs an Equalities Impact Assessment and a process review
- Some commissioning processes are excellent but there is a lack of consistency and co-ordination across the Council

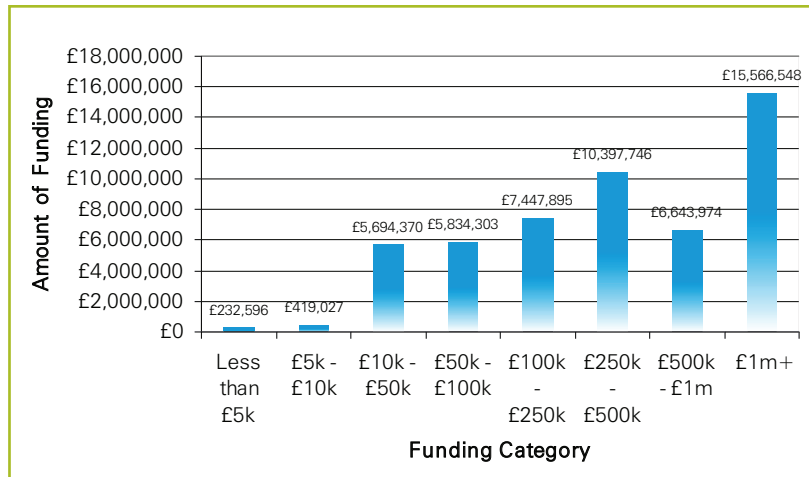
The last decade has seen the Third Sector playing an increasingly significant role in the provision of mainstream services in a 'mixed economy', whilst striving to maintain their traditional roles of innovation and campaigning for social change. It is estimated that around 300 Third Sector Organisations receive funding from the Council to deliver Community Plan targets. Many more contribute to Community Plan objectives but are not commissioned or funded directly by the Council.

The total value of grants and contracts from the Council to the Third Sector is over £55m - approximately 5% of the total Council budget. Figure 1 below breaks down this expenditure by amount of funding and Figure 2 shows the number of projects being funded for each amount.

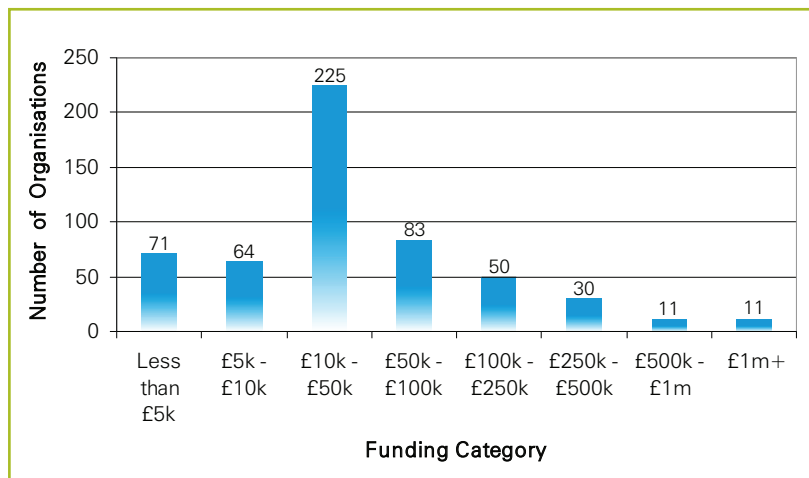
In addition to this the Council recognises the enormous inward investment which is brought in by the Third Sector.

“The last decade has seen the Third Sector playing an increasingly significant role in the provision of mainstream services.”

Amount of Funding by Funding Category



Number of organisations by Funding Category



Our objectives for the funding of Third Sector Organisations are that it should:

- **Be transparent:** There will be fair processes with clear decision making criteria
- **Be efficient:** We will deal with Third Sector Organisations consistently and ensure that we get maximum value for money
- **Reflect local needs:** Where possible we will involve residents in decision making and ensure that funding reflects local aspirations.

The Council recognises that obtaining maximum value from the Third Sector requires a combination of funding. These include:

- Giving grants to support valued activities
- Commissioning a particular service using commissioning and procurement approaches
- Investing to support the long term development of strategically important organisations, networks and services.

“The Council recognises that obtaining maximum value from the Third Sector requires a combination of funding.”



Third Sector Organisations provide employment and training services.



Third Sector Organisations provide services for people with disabilities.

Grant Funding

The Council provides the Mainstream Grants programme, worth £3.785m a year, to provide small and medium sized grants to the Third Sector Organisations. It was agreed by the Council's Cabinet in August 2007 that all elements of the programme would switch to using a commissioning framework by 2009.

The switch to commissioning has ensured that resources are clearly focused on need. However, consultation has revealed that the commissioning process may exclude some, especially small Third Sector Organisations, and may lack flexibility.

As the Mainstream Grants process is only just completing its switch to a commissioning model, the new processes should be given time to bed down before being subject to a full evaluation and review. However, the Councils will undertake an Equalities Impact Assessment by the end of 2009/10, and also ensure that processes for applying are reviewed and improved.

The Council will also establish a Community Chest which will be available to any Third Sector Organisation, providing grants for the purchase of specific items, to undertake specific pieces of work, or to support the development of the organisation.

Key Actions the Council will:

- Undertake an Equalities Impact Assessment by the end of 2009/10 ensure that processes for applying are reviewed and improved
- Establish a Community Chest

Commissioning

The Council published a Third Sector Commissioning Code of Practice in 2005. The development of the Third Sector Strategy has offered an opportunity to review the success of the current approach.

Consultation with Third Sector Organisations indicates that there are elements of our commissioning process that are valued and should be built on:

- Commissioning on the basis of needs assessment is resulting in the better directing of resources to the right things in terms of local priorities, real needs and emerging issues
- There are many examples of well run processes, with good practice including open access events and clear explanatory material
- Council staff are frequently considered to be helpful, open and well informed, enabling interested groups to have valuable opportunities to talk through their proposals and views of what provision would be most effective
- The support to develop the capacity of various provider networks is delivering real benefits. This includes the funding for a Voluntary Sector Children and Youth Forum Coordinator funded by the Children's, Schools and Families Directorate

However, consultation with the Third Sector has also brought into focus a range of areas where current practice could be more consistent and co-ordinated. Key concerns include lack of consistent practice in areas including the communication of opportunities, commissioning processes and policies and monitoring arrangements.

It was also identified that it is not unusual for some Third Sector Organisations to have several contracts with different parts of the Council. This presents a difficulty from the perspective of Third Sector Organisations as these contracts will often have different lengths, monitoring processes and policies around full cost recovery. However, it also presents an issue for the Council as the situation prevents us obtaining economies of scale and making the most of synergies between different commissioning exercises.

“...consultation with the Third Sector has also brought into focus a range of areas where current practice could be more consistent and co-ordinated.”

Consequently, the Council will strengthen partnerships with relevant Third Sector partners in order to ensure that commissioning and funding opportunities are promoted appropriately to the Third Sector. New ways of working will be communicated to Third Sector Partners through dedicated Third Sector provider days. Support will also be provided to Third Sector Organisation who want to be successful in tendering for contracts. This will be provided by a range of appropriate Third Sector agencies alongside the Council's Procurement Help-line.

The Procurement Toolkit will be refreshed to ensure that it is appropriate for procuring services from Third Sector Organisations. The Procurement Toolkit will introduce minimum standards, including requirements for monitoring visits and internal audit. The Third Sector Commissioning Code of Practice will also be reviewed to ensure that it aligns with the Funding Framework.

In addition the Council will provide a new full-day training for Council officers around Effective Commissioning from the Third Sector. This will be mandatory for all officers who undertake commissioning from Third Sector Organisations.

The Council will endeavour to speed up the payments processes across the board, and to examine Third Sector expenditure in forensic detail. This information will be used to improve value for money and service delivery.

Key Actions the council will:

- Strengthen partnerships to ensure commissioning and funding opportunities are promoted appropriately to the Third Sector
- Refresh the Procurement Toolkit
- Review the Third Sector Commissioning Code of Practice
- Provide a new full-day training course for Council officers around Effective Commissioning from the Third Sector.
- Communicate new ways of working to Third Sector partners
- Provide support for Third Sector Organisations on tendering for contracts
- Speed up the payments processes
- Examine Third Sector expenditure to improve value for money and service delivery

Tower Hamlets Funding Framework

The approach detailed above should enable the Council to have a flexible and appropriate approach to funding and commissioning the Third Sector. This can be summarised in the table on the next page.

| Approach | Commissioning | Commissioning/ Investing | Investing/ Giving |
|---|--|---|---|
| Commissioning Method | Competitive Procurement | Grants Commissioning | Small Grants |
| Most applicable when any of the following apply | <ul style="list-style-type: none"> • Non-sector specific • Contestable market • Statutory or required service • Defined outcomes • Service spec. based on needs analysis | <ul style="list-style-type: none"> • Third Sector Specific • Some market • Strategically important activity • Defined outcomes • Service spec. based on needs analysis | <ul style="list-style-type: none"> • Third Sector specific • Weak market • Need to grow or support key organisation • Pilot or one-off projects • Broad definition of outcomes |
| Guide Amount | Usually over £20,000 per annum | £500 – £200,000* | Less than £15,000 |
| Key Council Process | Commissioning Process | Mainstream Grants | Community Chest |
| Standard Resulting Processes [Proportionate approach in line with value and risk] | <ul style="list-style-type: none"> • Tollgate [for contracts over £250,000] • Pre-Qualification Questionnaire • Tender • Contract • Regular monitoring and quality assurance • Exit Strategy | <ul style="list-style-type: none"> • Open bidding against specified priorities • Funding agreement with SLA • Appropriate monitoring | <ul style="list-style-type: none"> • Open application for grant aid against criteria • Monitor organisational health and evaluate delivery • Exit Strategy |
| Full Cost Recovery Key Guidance | Yes | For reasonably apportioned costs | Usually not |
| | <ul style="list-style-type: none"> • Procurement Toolkit • EU procurement directives | Commissioning Framework (to be reviewed) | Funding guide (to be produced) |

* Awards over ~£139,000 will be considered on a case-by-case basis in relation to EU procurement directives.

Personalisation

Delivering personalised services for local people is a challenge for both the Council and Third Sector. This will mean supporting the Third Sector to become a central part of a wide-ranging market of local services and options that people will choose to make use of, and those with social care needs may be able to pay for on an individual basis through personal budgets.

Future Challenges

It is clear from the mapping of our work with the Third Sector that the sector relies on a wide range of funding streams. Many of these are time limited grant funding, such as the Area Based Grant and Working Neighbourhood Fund, which will come under considerable pressure in future years. There is a real risk of key elements of the Council's work with the Third Sector being the victim of the economic downturn and its long-term consequences. Looking at the breadth of current partnerships, it is suggested that this will put our ability to deliver the Community Plan to 2020 at risk.

The Council acknowledges that it needs to be proactive in managing these challenges. This will require a mature and on-going dialogue with the local Third Sector.



Attendees at the Third Sector consultation event.
18th August 2009.

Key Actions:

- A risk analysis of the anticipated impact of changes in funding will be undertaken, identifying:
 - Anticipated changes in funding 2010 – 2013
 - Anticipated impact on Third Sector
 - Mitigation of risk
- The council will support Third Sector Organisations to become more enterprising and broaden their funding base
- The council will explore how commissioning budgets might be used to provide an on-going resources to support Third Sector Infrastructure.



Third Sector Organisations provide sports and youth services.



Third Sector Organisation plays a key role in providing services for early years.

Premises

Key issues:

- Third Sector Organisations need to have access to appropriate and affordable space
- The Council has an Asset Management Plan which sets out a number of commitments
- There is a need for a more strategic approach to the premises needs of Third Sector Organisations and need to undertake research before being able to develop any support arrangements.

Access to the right quality space, at the right cost and in the right location is a key factor in the development of Third Sector Organisations. The Council's objective is to play a key role in supporting the Third Sector access high quality accommodation.

The Council realises that the accommodation needs are different for different groups.

The Council is also keen to explore the value in developing community hubs. There may be real benefits to service users by co-locating Third Sector Organisations, perhaps alongside public service providers. There could also be tangible benefits for Third Sector Organisations in the development of services and in sharing back-office costs. The Council will work with other statutory partners to identify appropriate premises. This might include the new Health and Wellbeing Centres which potentially provide a great opportunity for Third Sector Organisations to work alongside public sector providers.

Some accommodation will be owned by the Council, in which case it will be governed by our Asset

Management Plan 2008/09 – 2010/11. This states our commitment to having an asset portfolio that is:

- Fit for purpose
- Sustainable and compliant with statutory regulations
- Maintained to an appropriate and defined standard
- Managed and owned corporately
- Used efficiently
- Funded adequately
- Reviewed regularly
- Held only where supported by an informed business case for doing so

The Council is committed to working with the Third Sector and other partners to create an environment for a thriving Third Sector by:

- Undertaking a programme of research to bring together a full understanding of:
 - The organisations that are currently using community buildings and the services which are being delivered from them.
 - The accommodation needs of Third Sector Organisations in the borough, including looking at the needs of smaller community organisations.
 - Future commissioning and service delivery priorities



Third Sector Organisations play a key role in providing services for older people.

On the basis of this information we will develop and deliver a Third Sector Asset Plan as a strand of the Asset Strategy which will explore:

- Appropriate mechanisms to allow shared use, including development of 'micro-leases', leases or licenses to enable a variety of organisations to share a property / community hubs, with high quality facilities available for hire by the day, or hour
- The 'Social Return on Investment (SROI)' model, which involves quantifying the contribution the organisation makes to the community and considering this as a contribution towards rents
- Undertake research examining criteria for proposals around asset transfer.

Key Actions:

The Council will:

- Undertake programme of research around the needs of the Third Sector.
- On the basis of this information we will develop appropriate support arrangements.



Cllr. Rania Khan, Lead Member Regeneration, Community Partnerships and Localisation, addresses the Third Sector Consultation Event on the 18th August 2009.

05

Delivering the Strategy

Governance:

It is recognised that all Community Plan Delivery Groups contribute to the delivery of National Indicator 7. However, the Prosperous Communities Community Plan Delivery Group [CPDG] has the over-all responsibility for the delivery of National Indicator 7. Accordingly, although this is a Council Strategy, the Third Sector Strategy Delivery Group, which is comprised of statutory sector officers, will report regularly to this Group.

The Council has also established a Third Sector Advisory Board which will help support the further development and delivery of this Strategy. Membership is drawn from a range of Third Sector Organisations and is chaired by the Assistant Chief Executive of Tower Hamlets Council.

Development of an Action Plan:

An Action Plan has been developed, showing initial activity and identifying appropriate leads who will take responsibility for specific activity focused around the five themes within set timescales. This will be regularly reviewed to ensure effective delivery.

Monitoring and Evaluation:

One key measure of our success in developing an environment for a thriving Third Sector will be performance against National Indicator 7. This is measured by a national survey of Third Sector Organisations who are asked "Taking everything into account, overall, how do the statutory bodies in your local area influence your organisation's success?" In autumn 2008, The Office of the Third Sector undertook a base-line survey for NI 7 in which Tower Hamlets had a score of 21.1%, compared to a national average of 16.2%. Our target for 2010/11 is 27% - as agreed by central government.

In addition, the Action Plan will be monitored regularly by the Third Sector Strategy Delivery.

